

## Memorandum

**Date:** July 9, 2014

**To:** Agenda Distribution  
(Commission Meeting of July 10, 2014)

**From:** **Public Utilities Commission—San Francisco -**  
Commissioner Michael Picker

**File No:**

**Subject** Safety Policy Statement  
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For Discussion and Adoption by the Commission.

Attached is a proposed agency-wide "Safety Policy Statement" for consideration and possible adoption by the Commission at its July 10, 2014 business meeting. This policy statement defines the role of the Commissioners and provides a unifying vision and guidance regarding the agency's multiple safety functions. Commissioner Picker will be presenting the item.



# Safety Policy Statement of the California Public Utilities Commission

## Purpose of this Policy

This is the Safety Policy adopted by the five Commissioners of the California Public Utilities Commission (CPUC). It defines the role of the Commissioners, binds together the agency in constantly strengthening our safety efforts, and provides a unifying vision and guidance for the organization's multiple and disparate functions.

As described below, as a first step in applying this policy, we also will direct our staff to provide to the CPUC a more detailed Safety Plan within 180 days, laying out specific elements and staff actions on how the entire organization - including the five Commissioners and their staff, our legal and judicial staff, our policy and program staff, as well as our administrative staff - will respond to this policy in all their work.

## CPUC Overarching Safety Mission

The safety mission and goal of the CPUC is to assure to the State of California that all of us will work every day to assure that the regulated utilities we depend on for critical services are as safe and resilient as they can possibly be.<sup>1</sup> The CPUC not only will assure compliance with safety laws and regulations, but also challenge itself and the utilities to excellence.

**Ultimately we are striving to achieve a goal of zero accidents and injuries across all the utilities and businesses we regulate, and within our own workplace.<sup>2</sup>**

We have a broad obligation in this mission, and we must assure that safety will always be an important component in all that we do and everywhere we have authority and responsibility. Our efforts must improve protection for the public, for utility workers and CPUC employees in their work, for the environment, and for utility infrastructure and systems.

To realize this Vision, the CPUC commits to these guiding principles:

- Continually assess and reduce the safety risk posed by the companies we regulate
- Hold companies (and their extended contractors) accountable for safety of their facilities and practices
- Be accountable for the oversight of safety in the industries we regulate
- Provide clear guidance on expectations for safety management and outcomes
- Provide transparent and effective procedures for enforcement of those expectations
- Promote reliable access to utility services that support health and safety

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<sup>1</sup> The CPUC's overall mission is to protect consumers and ensure the provision of safe, reliable utility service and infrastructure at reasonable rates, with a commitment to environmental enhancement and a healthy economy.

<sup>2</sup> The concept of zero accidents and injuries is based on the Vision Zero Initiative established in Sweden in the 1990s. It began as an approach to roadway safety, and can be summarized as a single sentence: "No loss of life is acceptable." Since 1997, England and the Netherlands have adopted this policy goal, and in 2014, the cities of New York, Boston, and San Francisco also adopted it as their road safety policy expectation. Similarly, the USDOT Pipeline and Hazardous Material Safety Administration states, "our vision is that no harm results from hazardous materials transportation."





- Promote a culture of safety vigilance by CPUC staff, and in the industries we regulate
- Learn from experience and continuously improve safety oversight and outcomes

Leadership on this mission begins at the highest levels of our organization. In this respect, Commissioners commit to do the following:

- Certify through signature on Scoping Memos that our proceedings cover key safety and resiliency questions that will be answered during the course of the proceeding.
- Certify through signature on Proposed Decisions that the findings, conclusions, and actions laid out in proceedings can meet the CPUC's overarching goals and expectations.
- Assure that each vote on proceedings, resolutions, ratemaking, or other decisions of the CPUC addresses the CPUC's overarching goals and expectations regarding safety and resiliency.
- Regularly monitor in public meetings progress made by CPUC staff and regulated utilities and businesses in performing key safety activities and their outcomes, as defined in a comprehensive safety management plan.

Continue to ensure that the CPUC creates confidential programs that protect from reprisals whistleblowers in government and in regulated utilities who raise safety issues, and provide for timely follow up to verify the accuracy of their information.

### Staff Directives

CPUC staff has key responsibilities to carry out the above policy. These include assuring effective compliance with safety requirements, proactively managing safety risks, and promoting excellent safety cultures within regulated utilities and businesses. As a first step, the Executive Director and Division Directors together will:

- Within 180 days, design an ongoing safety management system, and prepare a work plan with priorities and clear and measurable goals and objectives to demonstrate CPUC staff effectiveness toward our core goal.
- Develop a monitoring, reporting, and records tracking system that demonstrates the effectiveness of utility and regulated businesses' progress on actions taken to achieve a zero accidents goal.
- Develop a monitoring system within our own workplace to track staff activities on achieving a zero accidents goal.
- Provide CPUC staff with adequate tools and training to carry out their jobs of assuring that utilities meet our safety goals.
- Coordinate with other state and federal agencies to: address gaps in public safety authority within the CPUC's oversight; identify and detect risks; and, gain more effective compliance through improved coordination for enforcement of regulated utilities.
- Regularly demonstrate progress on these tasks in the CPUC's public meetings.

The utilities that adhere to our rules and regulations must ultimately implement this vision, and we expect that these entities will create a culture within their organizations that puts safety first in their actions. To this end, the CPUC will schedule annual en banc hearings where the Chief Executive Officer of each of the major utilities we regulate will present to the CPUC the current status of their respective safety programs.

This policy statement is a living document, subject to change over time. The CPUC will utilize it on an ongoing basis to offer guidance, direction, and focus on our safety oversight responsibilities.

